

January 18, 2024

**Kimberly-Clark de México, S.A.B. de C.V.
FOURTH QUARTER AND FULL YEAR 2023 RESULTS**

Highlights:

- Fourth quarter sales of Ps. \$13.4 billion. Consumer grew 7%, Away from Home 11%, and Exports decreased 13%.
- Fourth quarter EBITDA of Ps. \$3.7 billion, up 25%. EBITDA margin of 27.7%, a 60 bps sequential improvement.
- Ps. \$450 million of savings from our cost reduction program for the quarter and Ps. \$1,750 million for the year.
- Strong innovation pipeline; will support brands accordingly.
- Capex on plan to improve manufacturing footprint.

QUARTERLY FINANCIAL RESULTS

Prepared in accordance with International Financial Reporting Standards (IFRS)
Million pesos

	<u>4Q'23</u>	<u>4Q'22</u>	<u>CHANGE</u>
NET SALES	\$13,371	\$12,792	5%
GROSS PROFIT	5,451	4,435	23%
OPERATING PROFIT	3,177	2,525	26%
NET INCOME	1,930	1,423	36%
EBITDA	3,710	2,957	25%

Net sales increased 5%. Consumer and Away from Home grew 7% and 11%, respectively. Exports decreased 13% driven by less hard roll sales.

Gross profit increased 23%, with a margin of 40.8%. Against last year fluff compared negatively while virgin and recycled fibers, SAM and resins were favorable. FX averaged 11% less.

Our cost reduction program had very good results yielding approximately Ps. \$450 million of savings in the quarter.

Operating expenses were 19% higher. Variable compensation expense accruals and distribution expenses are up. We are investing to improve our converting footprint to achieve greater productivity and streamline logistics operations.

Operating profit increased 26%; margin of 23.8%.

EBITDA increased 25% to Ps. \$3.7 billion in the quarter, and margin was 27.7%, a 60 bps sequential improvement and 460 bps improvement against 4Q22.

Cost of financing was Ps. \$333 million in the fourth quarter, compared to Ps. \$419 million in the same period of last year. Net interest expense was lower since we have less net debt. Foreign exchange loss in the quarter was Ps. \$26 million in line with a Ps. \$26 million loss last year.

Net income increased 36% and earnings per share for the quarter were \$0.63.

In dollars, and US GAAP, net sales increased 17%, while operating profit and net income grew 41% and 56%, respectively.

FULL YEAR FINANCIAL RESULTS

Prepared in accordance with International Financial Reporting Standards (IFRS)
Million pesos

	<u>2023</u>	<u>2022</u>	<u>CHANGE</u>
NET SALES	\$53,307	\$51,055	4%
GROSS PROFIT	20,700	16,773	23%
OPERATING PROFIT	11,932	8,941	33%
NET INCOME	7,013	4,936	42%
EBITDA	13,917	10,903	28%

For the full year revenues increased 4%, gross profit 23%, operating profit 33%, EBITDA 28% and net income 42%. Earnings per share were Ps. \$2.28.

In dollars, and US GAAP, net sales grew 18% to US\$3.0 billion. Operating profit and net income were higher by 50% and 63%, respectively.

During the year, we invested Ps. \$1,676 million in Capex; paid Ps. \$4,982 million in dividends; and paid down Ps. \$1,750 million in debt.

We maintain a very solid balance sheet. As of December 31, the company held Ps. \$19.0 billion in cash and equivalents. Total net debt was Ps. \$12.3 billion. All debt is denominated in Mexican pesos, and the ratio of net debt to EBITDA was 0.9 times.

Conference Call Information

The 4Q'23 conference call will be held on Friday, January 19, 2024 at 9:30 am Eastern time (8:30 am Central time / 8:30 am Mexico City time). To participate in the call, please dial: US +1(800) 245-3047, international +1(203) 518-9765; conference ID: 72056.

A replay of the conference call will be available through January 26, 2024. To access the replay, please dial US +1(800) 839-6737, international +1(402) 220-6052.

Kimberly-Clark de México, S.A.B. de C.V. is a Mexican company that manufactures and commercializes branded consumer products such as diapers, feminine pads, bath tissue, napkins, facial tissue, paper towels, wet wipes and soap. We are market leaders in almost all of our categories with brands such as Huggies, Kleen-Bebé, Kleenex, Cottonelle, Pétalo, Depend, Kotex, Evenflo and Escudo.

Investor Relations Contact

Salvador Escoto
Tel: (5255) 5282-7204
salvador.escoto@kcc.com

Lizeth Pérez
Tel: (5255) 5282-7209
lizeth.perez@kcc.com